

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Suits – Arbitration- Payment of an amount of Rs. 7,50,000/- as full and final settlement of claim in Arbitration Award dated 25.11.1995 in O.P. No. 6/1997 filed before the XI Additional Senior Civil Judge, City Civil Court ,Hyderabad in respect of the work relating to “Earth work excavation and forming Embankment from K.M 267.00 to KM 268.00 of Kakatiya Main Canal, SRSP-I” entrusted to M/s United Constructions Company Hyderabad vide Agreement No. LS AB No.27/GVC-IV dated 10.01.1984 - Sanctioned - Orders – Issued.

IRRIGATION & CAD (ARBITRATION)DEPARTMENT

G.O.Ms.No.16

Dated: 28. 01.2012

Read the following:

- 1.Representation from the M/s.United Constructions company, Hyderabad represented by its Managing partner Sri G. Janardhan Reddy , dated. 27- 11- 2010.
- 2.From the Administrator.-cum-Chief Engineer, SRSP, Hyd. Lr. No. ACE/ SRSP/DEE-2/AE3/UCC/945/10/2011-1, dated: 24-3-2011.
- 3.From the Engineer-in-Chief (IW), I & CAD Deptt. Hyderabad Lr. No.ENC/IW/P&M/ EE.I/ DEE.8/ 300108/2008, Dt.16.06.2011.

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ORDER

The Engineer-in-Chief (IW), I & CAD department, Hyderabad in his letter 3rd read above, has reported that the work relating to “Earth work, excavation and forming embankment from Km 267.00 to Km 268.00 of Kakatiya Canal SRSP-1” was entrusted to M/s United Constructions Company Hyderabad vide agreement No.LS AB No/27/GVC-IV dt.10-01-1984. Certain disputes arose between the parties and matter was referred to sole Arbitrator. The Sole Arbitrator in his Award dt.25-11-1995 held that the claimant is entitled for an amount of Rs.7,20,033/- and interest @18% from 25-11-1995 to the date of realization. The department has filed O.P.No.32/1996 before the XI Additional Senior Civil Judge, City Civil Court ,Hyderabad to set aside the above Award and the Contractor has also filed O.P.No.6/1997 in the said Court for making the Award as Rule of Court. The XI Additional Senior Civil Judge, FTC., Hyd., in its common judgment dt.23-01-2006 has dismissed the department O.P.No.32/1996 and allowed the contractor O.P.No.6/1997 and granted future interest @ 12% p.a. on principle amount from the date of Award i.e., 25-11-1995 till realization. The department has filed CMA No.563/2006 and CRP No.62/2009 before the

P.T.O

Hon'ble High Court of A.P. Hyderabad against the judgments of the civil court in O.P.No.32/1996 and O.P.No.6/1997 respectively. Following the common judgment of High Court in CMA No.1557/1993 and CRP No.4010/1993 dt.15-06-2007, the Hon'ble High Court has disposed of CMA No.563/2006 and CRP No. 62/2009 by its common judgment dated.16-03-2009.

2. The Hon'ble High Court in its common judgment in CMA No.1557/1993 and CRP No.4010/1993 dt.16-03-2009 has directed the respondents to approach the Prl.Secretary, of the concerned Dept., by filing appropriate comprehensive representation on behalf of the claimant and on filling of which, the said authority shall hear both sides after giving notice and opportunity and make an effort to conciliate and settle the claims. The High Court has also held that the respondent-claimants shall file the said representation within a period of three weeks from today i.e 16.03.2009 and the Prl.Secretary, of the said authority shall conciliate the meeting and try to settle the matter within a period of three months thereafter. The parties are at liberty to approach this court either by way of filing final settlement which would be arrived at between the parties or the failure report on the basis of which necessary orders will be passed in terms of settlement or disposed of the matter on merits if it warrants.

3. In pursuance of above directions, the matter has been discussed in the concerned conciliation committee with the above contracting firm. During the final conciliation on 03.08.2011, M/s United constructions company Hyderabad represented by its Managing partner has agreed for an amount of Rs 7.50,000/- as full and final settlement of claim including Principle, interest and any other incidentals. The managing partner of the above contracting firm has submitted a declaration on a affidavit stating that he will withdraw all legal proceedings in respect of the above subject work against the Government of Andhra Pradesh or its representative officer, if the agreed amount is paid to him.

4. The Government, after careful examination of the matter hereby accord sanction of an amount of Rs. 7,50,000/- (Rupees Seven lakhs Fifty thousand only) as full and final settlement of claim including principal, interest and any other incidentals in all, as lumpsum of Arbitration Award dated 25.11.1995 to be deposited to the credit of O.P. No. 6/1997 of XI Additional Senior Civil Judge, City Civil Court, Hyderabad in respect of the work relating to "Earth work, excavation and forming embankment from Km 267.00 to Km 268.00 of Kakatiya Canal" entrusted to the M/s United Constructions Company Hyderabad vide agreement No.LS AB No/27/GVC-IV dt.10-01-1984, subject to condition that the above contracting firm shall withdraw all legal proceedings in any court in respect of the above subject work against the Govt. of A.P., or its representative officer. The concerned Chief Engineer / Superintending Engineer is directed to obtain a declaration on Non- judicial stamp paper from the contractor accepting the above sanctioned amount as full and final settlement before making the payment.

5. The expenditure sanctioned in para (4) above shall be debitable to the detailed head of account under “ M.H.4700 - C.O.L on Major & Medium Irrigation; M.H. 01- Major Irrigation (Commercial) ;101 - Sriramsagar Project ;GH - 11 - Normal State Plan; SH - 27 - Canals and Distributaries ;530 - Major Works; 531 - Other Expenditure.”

6. The Administrator - cum - Chief Engineer Sriramsagar project Hyderabad/ The Engineer-in-Chief (IW) I & CAD deptt. Hyderabad , shall deposit the above sanctioned decretal amount in the court of XI Additional Senior Civil Judge, FTC, City Civil Court, Hyderabad to the credit of O.P. No. 6/1997 dt 23-01-2006 for avoiding further legal complications in the matter.

7. This order issues with the concurrence of Finance (W&P) Department vide their U.O. No. 3156/F4(A2)/11-1, dated.30.09.2011.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

DR. PRASANTA MAHAPATRA
PRINCIPAL SECRETARY TO GOVERNMENT

To

The Engineer – in – Chief (I.W), I & CAD Department, Errum manzil,
Hyderabad.

The Administrator –cum- Chief Engineer Sriramsagar project Hyderabad/
The Accountant General, A.P. Hyderabad.

The Director Works Accounts, A.P Hyderabad.

The District Treasury Officer, Warangal

The Pay and Accounts Officer, Hanamkonda

Copy to :

The P.S. to Minister (M & MI)

The P.S to Prl. Secy. to Govt., I&CAD Department.

The United Constructions company, Represented by its Managing partner
Sri G. Janardhan Reddy, Plot No.8, Aurora colony-II, Road No.3,
Banjara hills, Hyderabad.

The Finance (W&P) Department.

The Law(B) Department

The I & CAD (P&B) Department.

S.F/ S.C

//FORWARDED: BY ORDER//

SECTION OFFICER